



STATE OF CONNECTICUT
DEPARTMENT OF BANKING

260 CONSTITUTION PLAZA • HARTFORD, CT 06103-1800



Howard F. Pitkin

Commissioner

IN THE MATTER OF:

**CHRISTOPHER E. HOBSON INC., d/b/a
FRANKLIN FINANCIAL REAL ESTATE
FINANCING**

(“Hobson”)

SETTLEMENT AGREEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Part I of Chapter 668, Sections 36a-485 to 36a-534a, inclusive, of the Connecticut General Statutes, “Mortgage Lenders, Brokers and Originators”;

WHEREAS, the Commissioner, through the Consumer Credit Division of the Department of Banking (“Department”), conducted an investigation pursuant to Section 36a-17 of the Connecticut General Statutes into the activities of Hobson to determine if it had violated, was violating or was about to violate the provisions of the Connecticut General Statutes within the jurisdiction of the Commissioner;

WHEREAS, on July 16, 2008, the Commissioner, acting pursuant to Sections 36a-492(b), 36a-494(a)(1)(C), 36a-517(a)(1)(C) and 36a-51(a) of the 2008 Supplement to the General Statutes, issued a Notice of Automatic Suspension, Notice of Intent to Revoke First and Secondary Mortgage Lender/Broker Licenses and Notice of Right to Hearing (collectively “Notice”) against Hobson, which Notice is incorporated herein by reference;

WHEREAS, the Notice alleged that Hobson, in violation of Section 36a-492(a) of the 2008 Supplement to the General Statutes, failed to maintain a surety bond that runs concurrently with the

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period of the license granted to Hobson to engage in the business of a first mortgage lender/broker in Connecticut from 26060 Acero Street, Mission Viejo, California;

WHEREAS, on July 28, 2008, Hobson received the Notice, and no request for a hearing was received by the Commissioner;

WHEREAS, by letter dated August 6, 2008, Hobson specifically assured the Commissioner that it has not done any business in Connecticut since June 21, 2008;

WHEREAS, Section 4-177(c) of the Connecticut General Statutes and Section 36a-1-55(a) of the Regulations of Connecticut State Agencies provide that a contested case may be resolved by agreed settlement, unless precluded by law;

WHEREAS, Hobson agrees to voluntarily enter into this Settlement Agreement without admitting or denying any allegations contained in the Notice set forth herein, and solely for the purpose of obviating the need for formal administrative proceedings concerning the allegation described above;

WHEREAS, Hobson, through its execution of this Settlement Agreement, voluntarily agrees to waive any rights to a hearing upon the allegations contained in the Notice, and waives the right to seek judicial review or otherwise challenge or contest the validity of this Settlement Agreement;

AND WHEREAS, upon the entry of this Settlement Agreement, this matter will be resolved and the Commissioner will not take any future enforcement action against Hobson based upon the allegations contained in the Notice.

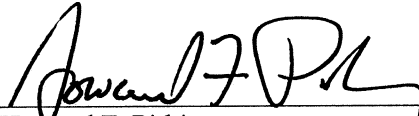
NOW THEREFORE, the Commissioner and Hobson enter into this Settlement Agreement as follows:

1. Prior to the date this Settlement Agreement is executed by the Commissioner, Hobson will surrender its first mortgage lender/broker license No. 9550 and secondary mortgage lender/broker license No. 9549, and cease engaging in the business of a first and secondary mortgage lender/broker in Connecticut from 26060 Acero Street, Mission Viejo, California;
2. Nothing in this Settlement Agreement shall adversely affect the ability of Hobson to apply for or obtain a license or renewal license under Part I of Chapter 668 of the Connecticut General Statutes in the future; and
3. Notwithstanding anything to the contrary in this Settlement Agreement, execution of this Settlement Agreement is without prejudice to the right of the Commissioner to take

enforcement action against Hobson to enforce this Settlement Agreement if the Commissioner determines that Hobson is not fully complying with any term or condition stated herein or if any representation made by Hobson and reflected herein is subsequently discovered to be untrue. For purposes of this paragraph, a violation of this Settlement Agreement shall be deemed to be a violation of an order of the Commissioner.

IN WITNESS WHEREOF, the parties hereto have caused this Settlement Agreement to be executed by each of them or their duly authorized representatives on the dates hereinafter subscribed.

Dated at Hartford, Connecticut,
this 15th day of August 2008.



Howard F. Pitkin
Banking Commissioner

I, CHRISTOPHER E HOBSON, state on behalf of Christopher E. Hobson Inc., d/b/a Franklin Financial Real Estate Financing, that I have read the foregoing Settlement Agreement; that I know and fully understand its contents; that I am authorized to execute this Settlement Agreement on behalf of Christopher E. Hobson Inc., d/b/a Franklin Financial Real Estate Financing; and that Christopher E. Hobson Inc., d/b/a Franklin Financial Real Estate Financing agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

By: Christopher E Hobson
Name: CHRISTOPHER E. HOBSON
Title: PRESIDENT
Christopher E. Hobson Inc., d/b/a
Franklin Financial Real Estate Financing

State of: _____

County of: _____

On this the _____ day of August 2008, before me, _____, the undersigned officer, personally appeared _____, who acknowledged himself/herself to be the _____ of Christopher E. Hobson Inc., d/b/a Franklin Financial Real Estate Financing, a corporation, and that he/she, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as _____.

In witness whereof I hereunto set my hand.

Notary Public / Commissioner of the Superior Court
Date Commission Expires:

STATE OF CALIFORNIA } ss.
COUNTY OF Orange }

On August 14, 2008 before
me, Kathleen A. LaChance,

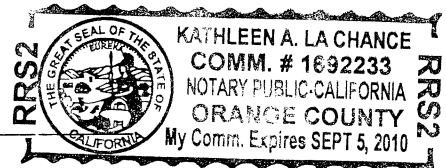
a notary public, personally appeared
Christopher E. Hobson

✓ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kathleen A. LaChance



(This area for official notarial seal)

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| Date of Document | No. of Pages |
| Other signatures not acknowledged | |